



CONNECTICUT REALTORS®

111 Founders Plaza, Suite 1101 ▪ East Hartford, CT 06108

Tel: (860) 290-6601 ▪ ctrealtor.com

Statement on

H.B. 6773 (Raised): AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS

SUPPORT

Submitted to the Insurance and Real Estate Committee
February 26, 2015

By Deb Chamberlain
Connecticut REALTORS® Immediate Past President

Good afternoon Senator Crisco, Representative Megna, Ranking Members Sampson and Kelly and members of the committee. My name is Deb Chamberlain and I am a REALTOR® and the current past President of Connecticut REALTORS®.

I am speaking on behalf of over 15,000 members of Connecticut REALTORS® in favor of **HB 6773, AN ACT CONCERNING LICENSURE REQUIREMENTS FOR REAL ESTATE BROKERS**. This is a proposal to change the requirements for real estate broker licensure and require the Commissioner of Consumer Protection to adopt regulations to establish a qualification points system as part of such licensure requirements.

There have been long-standing concerns that the requirements in Connecticut to obtain a real estate broker's license are insufficient. Connecticut Realtors® (CTR) believes professionalism in the industry can be improved with changes to the broker's education requirement to ensure topics covered are those most relevant to being a broker; and there be a point system to ensure some degree of experience prior to being able to be a broker. Simply holding a license for a length of time is not adequate.

To give some background on the issue, a Licensing Standards Work Group was created by CTR to establish a series of recommendations it believed would improve the professionalism of the industry. The recommendations were approved by the CTR Board of Directors. A few could be implemented immediately; others were assigned to Work Groups for further deliberations.

The Curriculum and Transaction Work Group was formed to review the pre-licensure curriculum to "modernize to be applicable to current practice, concerns, and educational needs"; along with reviewing the recommendation of the group.

Premises that were challenged by the group are as follows:

- A broker is a broker is a broker: The Work Group is concerned that not every existing broker performs the same functions; or that every broker would always include the role of managing agents.
- The rationale for becoming a broker is to run a company and manage people: The sole privileges that come with being a broker are the ability to collect a commission directly and the option to have autonomy. An individual's rationale for becoming a broker encompass a variety of reasons that are unique to the individual and may have nothing to do with running a company or managing people. The concern is that there are existing brokers who are not fully executing the responsibilities that come with that license.

In our efforts to further improve the knowledge and professionalism of Connecticut brokers we are asking the Department of Consumer Protection to implement this legislation which would require the broker applicant to complete a course on broker principles and practices as well as a course on real estate legal compliance.

We also request that the Department of Consumer Protection establish a qualification points system that has a maximum score of twenty-six points and a minimum passing score of twelve points. This system shall be used by the Commission to consider an applicant's experience and education for real estate broker licensure purposes. CTR has developed a guide of qualifications that may be useful to the agency in developing the system. We would be more than willing to meet with the staff at any time to discuss how best to implement these important changes.

Our goal in this situation is to improve the quality of brokers working in Connecticut. We trust that a stronger reflection on professionalism will go far in serving the public.

Thank you for allowing me to testify before the committee today, I will do my best to answer any of the questions you may have.